



# COMMONWEALTH of VIRGINIA

## Department of Medical Assistance Services

PATRICK W. FINNERTY  
DIRECTOR

July 30, 2008

SUITE 1300  
600 EAST BROAD STREET  
RICHMOND, VA 23219  
804/786-7933  
800/343-0634 (TDD)  
[www.dmas.virginia.gov](http://www.dmas.virginia.gov)

Dear Pharmaceutical Manufacturer:

The Department of Medical Assistance Services (DMAS) successfully implemented a Preferred Drug List (PDL) for its Medicaid fee-for-service population in 2004. The PDL was developed with significant cooperation from pharmaceutical manufacturers who agreed to provide aggressive drug pricing and supplemental rebates in the design of a Virginia-specific PDL. We ask for your continued support in the upcoming contracting process.

The next annual review of PDL Phase I drug classes by DMAS' Pharmacy and Therapeutics (P&T) Committee is scheduled for October 23, 2008. Existing contracts for PDL Phase I drug classes will end on December 31, 2008 and new contracts will begin on January 1, 2009.

The Department will seek Virginia-specific contracts for pricing and supplemental rebates directly with manufacturers. Supplemental rebate offers are being solicited for all single-source brand products in the therapeutic classes listed below:

### **ANTIVIRALS**

- ◆ Hepatitis C

### **ASTHMA –ALLERGY**

- ◆ Antihistamines – 2nd generation (includes combination products)
- ◆ Beta Adrenergics- (includes short acting, long acting, nebulized and combinations)
- ◆ COPD Anticholinergics
- ◆ Inhaled corticosteroids
- ◆ Nasal steroids

### **CARDIAC MEDICATIONS**

- ◆ ACE inhibitors (includes combination products with HCTZ & CCB)
- ◆ Angiotensin receptor antagonists -ARB (includes combination products with HCTZ & CCB, as well as Renin inhibitors)
- ◆ Beta blockers
- ◆ Calcium channel blockers (includes dihydropyridine & Non-dihydropyridine agents)

### **CARDIAC MEDICATIONS continued**

- ◆ Lipotropics (Includes HMG CoA Reductase Inhibitors-Statins, Fibrin Acid Derivatives, Omega 3 agents, Niacin derivatives, Niacin/Statin Combinations and CAI agent)
- ◆ PDE-5 inhibitors- pulmonary hypertension

### **CENTRAL NERVOUS SYSTEM**

- ◆ Sedative Hypnotic
- ◆ Other Sedative Hypnotic

### **GASTROINTESTINAL**

- ◆ Histamine-2 Receptor Antagonists (H-2RA)
- ◆ Proton Pump Inhibitors

### **GENITOURINARY**

- ◆ Urinary Antispasmodics

### **MISCELLANEOUS**

- ◆ Electrolyte Depleters
- ◆ Topical Immunomodulators
- ◆ Growth hormone

In addition, during the P&T Committee meeting, they will review 4 new drugs in Phase II classes for possible PDL eligibility. If deemed PDL eligible, the Committee will determine the PDL status (preferred or non-preferred) of all drugs in these classes to be effective January 1, 2009. Supplemental rebate offers are now being solicited for all single source branded products in the following new therapeutic classes:

**ANTIBIOTICS – ANTIINFECTIVES-CEPHALOSPORINS**

- ♦ Cefuroxime axetil suspension (New generic for Ceftin)

**SEROTONIN RECEPTOR AGONISTS (Tryptans)**

- ♦ TREXIMET®

**DIABETES ORAL HYPOGLYCEMICS COMBINATIONS**

- ♦ PrandiMet®

**STIMULANTS/ ATTENTION DEFICIT HYPERACTIVITY DISORDER MEDICATIONS**

- ♦ LiquADD®

Lastly, during the P&T meeting, there will be another review to consider generic pricing of the following Phase II therapeutic class, so please include bids on all products in this category:

**OSTEOPOROSIS-BISPHOSPHONATES**

The Department has set the following timeline for seeking supplemental rebates:

**Friday, August 29, 2008:** Final supplemental rebate offers and the **signed Virginia Supplemental Drug Rebate Agreement** must be submitted to First Health Services by close of business.

**Thursday, October 23, 2008:** Meeting of the P&T Committee to review clinical information, pricing information, and to select which drugs will not require prior authorization.

**Thursday, January 1, 2009:** Implement prior authorization requirements for drugs that were not selected as “preferred” on the PDL.

If you have any questions regarding the PDL process, please contact [pdlinput@dmas.virginia.gov](mailto:pdlinput@dmas.virginia.gov). All correspondence and inquiries regarding pricing and contracting should be directed to:

First Health Services Corporation  
Attention: Doug Brown, Rebate Contracting Manager  
Rebate Contracting and Pricing  
4300 Cox Road  
Glen Allen, Virginia 23060  
Phone: 804-965-7695  
Email: [browndo@fhsc.com](mailto:browndo@fhsc.com)

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We hope that future contracts with pharmaceutical manufacturers will make it possible for the Commonwealth to continue with its Virginia-specific approach. We look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Finnerty", with a stylized flourish at the end.

Patrick W. Finnerty